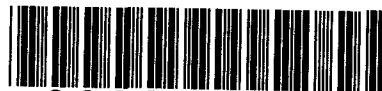


1 Date: November 13, 2014



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3 To: **Docket Control**

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4 **Arizona Corporation Commission**

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5 **1200 West Washington St.**

6 **Phoenix, AZ 85007**

AZ CORP COMMISSION  
DOCKET CONTROL

7  
8 From: Robert T. Hardcastle

ORIGINAL

9 Brooke Utilities, Inc.

10

11 FOR FILING ORIGINAL AND 13 COPIES INTO:

12 **DOCKET NO. W-03511A-14-0304**

13 IN THE MATTER OF THE APPLICATION OF NAVAJO WATER CO.,  
14 INC., AN ARIZONA CORPORATION, FOR A DETERMINATION OF  
15 THE FAIR VALUE OF ITS UTILITY PLANTS AND PROPERTY  
16 AND FOR INCREASES IN ITS WATER RATES AND CHARGES FOR  
17 UTILITY SERVICE BASED THEREON.

18  
19 By:

20 Robert T. Hardcastle

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26

Arizona Corporation Commission

DOCKETED

NOV 14 2014

DOCKETED BY	
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1 BEFORE THE ARIZONA CORPORATION COMMISSION

2  
3 Robert T. Hardcastle  
4 P.O. Box 82218  
5 Bakersfield, CA 93380-2218  
6 *Representing Itself In Propria Persona*

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DOCKET CONTROL

7  
8 COMMISSIONERS

9 Gary Pierce, Chairman  
10 Paul Newman, Commissioner  
11 Brenda Burns, Commissioner  
12 Bob Stump, Commissioner  
13 Sandra D. Kennedy, Commissioner  
14

15 IN THE MATTER OF THE APPLICATION ) **DOCKET NO. W-03511A-14-0304**  
16 OF NAVAJO WATER CO., INC., )  
17 AN ARIZONA CORPORATION, FOR A ) **BROOKE UTILITIES, INC.'S**  
18 DETERMINATION OF THE FAIR VALUE ) **REQUEST FOR EXTENSION**  
19 OF ITS UTILITY PLANTS AND PROPERTY) **TO FILE SUPPLEMENTAL**  
20 AND FOR INCREASES IN ITS WATER ) **APPLICATION TO INTERVENE**  
21 RATES AND CHARGES FOR UTILITY )  
22 SERVICE BASED THEREON )  
23

24 Applicant Brooke Utilities, Inc. ("Brooke") filed its Application for Intervention  
25 through a Motion to Intervene (the "Application") dated October 13, 2014 with Docket  
26 Control of the Arizona Corporation Commission ("Commission"). The Application was  
27 Docketed by the Commission on October 20, 2014.

28 On October 28, 2014 Navajo Water Co., Inc. ("Navajo") filed its objection to  
29 Brooke's Application.

30 On November 3, 2014 Brooke filed its Response to Navajo's Objections.

31 On November 7, 2014 the Commission's Administrative Law Judge filed a  
32 Procedural Order to the Docket requiring Brooke to file any supplemental information to  
33 its Application by November 17, 2014.  
34  
35

## **I. REQUEST FOR EXTENSION OF TIME**

RESPECTFULLY SUBMITTED this 15<sup>th</sup> day of November 2014.

By: Robert T. Hardcastle  
Robert T. Hardcastle  
*In Propria Persona*

**Docket Control  
Arizona Corporation Commission  
1200 West Washington St.  
Phoenix, AZ 85007**

Teena Jibilian, Administrative Law Judge  
HEARING DIVISION  
Arizona Corporation Commission  
1200 West Washington St.  
Phoenix, AZ 85007

Docket No. W-03511A-14-0304

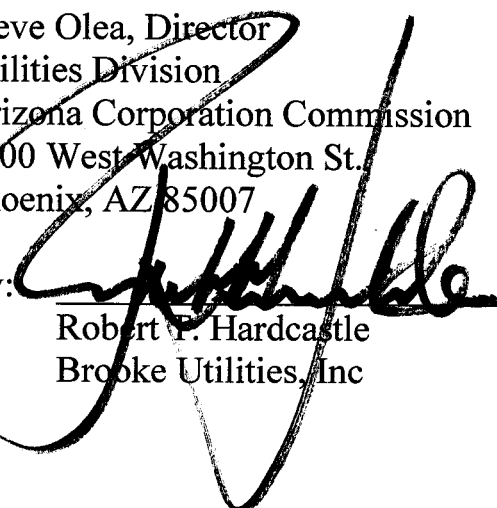
1 Arizona Corporation Commission  
2 1200 West Washington St.  
3 Phoenix, AZ 85007  
4

5 Jay Shapiro  
6 Fennemore Craig  
7 2394 E. Camelback Road, Suite 600  
8 Phoenix, Arizona 85016  
9

10 Jason Williamson  
11 JW Water Holdings LLC  
12 P.O. Box 200505  
13 Denver, CO 80220  
14

15 Janice Alward, Chief Counsel  
16 Legal Division  
17 Arizona Corporation Commission  
18 1200 West Washington St.  
19 Phoenix, AZ 85007  
20

21 Steve Olea, Director  
22 Utilities Division  
23 Arizona Corporation Commission  
24 1200 West Washington St.  
25 Phoenix, AZ 85007  
26

27 By:   
28 Robert F. Hardcastle  
29 Brooke Utilities, Inc  
30  
31

# EXHIBIT I

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 COMMISSIONERS

3 BOB STUMP - Chairman  
4 GARY PIERCE  
5 BRENDA BURNS  
6 BOB BURNS  
7 SUSAN BITTER SMITH

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BROOKE UTILITIES

7 IN THE MATTER OF THE APPLICATION FOR  
8 NAVAJO WATER COMPANY FOR THE  
9 APPROVAL OF A RATE ADJUSTMENT.

DOCKET NO. W-03515A-14-0304

PROCEDURAL ORDER

10 **BY THE COMMISSION:**

11 On August 15, 2014, Navajo Water Company ("Navajo") filed with the Arizona Corporation  
12 Commission ("Commission") an application for a rate increase, based on a test year ended June 30,  
13 2014.

14 On August 26, 2014 and September 10, 2014, Navajo filed supplements to the application.

15 On September 10, 2014, the Commission's Utilities Division Staff ("Staff") filed a Letter of  
16 Deficiency.

17 On September 30, 2014, Navajo filed an additional supplement to its application.

18 On October 10, 2014, Staff issued a letter indicating that Navajo's application had met the  
19 sufficiency requirements of Arizona Administrative Code ("A.A.C.") R14-2-103 and classifying  
20 Navajo as a Class D utility.

21 On October 20, 2014, Brooke Utilities Inc. ("Brooke") filed an Application for Intervention.  
22 Brooke claims that it has a direct and substantial interest in this rate proceeding because it is a party  
23 to a transactional agreement with Navajo's parent JW Water Holdings, LLC.<sup>1</sup> Brooke asserts that  
24 Navajo's filing of this rate application does not comply with the terms of a May 31, 2013, agreement  
25 between JW Water Holdings, LLC and Brooke. Brooke contends that Navajo's rate application "may  
26 affect that Agreement" and that "the possible implications of this rate application to Brooke places  
27 this Application at unknown risk."

28 <sup>1</sup> Navajo's rate case application indicates that JW Water Holdings, LLC purchased Navajo from Brooke on June 1, 2013,  
and that JW Water Holdings, LLC owns 100 percent of the shares of Navajo.

1 On October 28, 2014, Navajo filed its Opposition to Brooke's Application for Intervention.  
2 Navajo states that the May 31, 2013 agreement Brooke refers to in the Application to Intervene is a  
3 Stock Purchase Agreement entered into by and among Brooke, Navajo, Tonto Basin Water Co., Inc.,  
4 Payson Water Co., Inc., and JW Water Holdings, LLC. Navajo asserts that the purpose of its rate  
5 application is to determine the fair value of its property and to set rates, and that the May 31, 2013  
6 Stock Purchase Agreement between Navajo and Brooke is not at issue in this rate proceeding and is  
7 beyond the scope of this rate proceeding. Navajo contends that Brooke lacks any real interest in this  
8 rate proceeding, and that allowing Brooke to intervene would unduly broaden and delay this rate case  
9 proceeding. Navajo requests that Brooke's Application to Intervene be denied.

10 On November 3, 2014, Brooke filed its Response to Navajo's Opposition. Brooke reiterates  
11 its claim that Navajo's rate filing contravenes the terms of the May 31, 2013 Stock Purchase  
12 Agreement, and claims that Navajo made the rate case filing with knowledge of Brooke's objection  
13 to the test year ending June 30, 2014. Brooke contends that its intervention request "should be  
14 approved in order for it to determine the extent of the impact of JW Water's failure to abide by the  
15 terms and conditions of the Agreement related to a properly negotiated test year," and states that "in  
16 some sense a replacement application that conforms to the requirements of the Agreement is not  
17 unreasonable." Brooke argues that it should be granted intervention "in order for it to determine the  
18 extent of the impact" of the test year Navajo used in its rate case filing, and that if it is not granted  
19 intervention in this rate proceeding, Brooke may proceed "in a manner that best protects its interests."

20 The Commission's Rules of Practice and Procedure provide that persons who are directly and  
21 substantially affected by Commission proceedings must secure an order from the Commission or  
22 presiding officer granting leave to intervene before being allowed to participate, and that no  
23 application for leave to intervene shall be granted where by so doing the issues theretofore presented  
24 will be unduly broadened, except upon leave of the Commission.<sup>2</sup>

25 Brooke does not claim to be a shareholder, or a customer, of Navajo. Brooke's Application to  
26 Intervene and its Response allude to a possible, but unknown, impact to Brooke stemming from  
27

---

28 <sup>2</sup> A.A.C. R14-3-105.

**HEARING DIVISION**  
1200 W. WASHINGTON  
PHOENIX, AZ 85007

1707/2014  
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Brooke Utilities, Inc.  
PO BOX 82218  
Bakersfield, CA 93380

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